

COUNTY OF YORK

MEMORANDUM

DATE: June 1, 2001 (BOS Mtg. 6/19/01)

TO: York County Board of Supervisors

FROM: James O. McReynolds, County Administrator

SUBJECT: Rental Subsidy Programs / Annual Funding Renewal

Background

Nationally, the US Department of Housing and Urban Development (HUD) provides funding for subsidy programs that assist low-income citizens in renting privately owned housing.

In Virginia, these HUD funds are managed on a state-wide basis by the Virginia Housing Development Authority (VHDA).

York County has operated rental subsidy programs since 1979. These services represent an important and critically needed resource for the County's lower income residents. The programs are implemented by the Housing and Neighborhood Revitalization Division of the County's Community Services Department. VHDA issues rent payments directly to owners following the submission of leases and contracts by staff of the Housing Division. Consequently, the County's budget reflects only the administrative reimbursements that York receives to defray the cost of implementing the programs. Total rent, utilities and administrative payments for 2002 are projected to be in excess of \$1,350,000.

To summarize these programs:

■ **Section 8 Vouchers**

These funds subsidize low-income families in renting privately owned dwellings dispersed throughout the County.

- The program administration involves processing of tenant eligibility, recruiting suitable dwellings, negotiation of rents, dwelling inspections and identification of repairs, preparation of leases, contracts, requests for subsidy checks, and a variety of landlord/tenant counseling services
- York administers three very specialized initiatives which are included in the Voucher programs:
 - A) Subsidies set-aside for those with physical or sensory disabilities who are assisted by the Center for Independent Living (CIL)
 - B) Subsidies reserved for clients receiving mental health or mental retardation services from the Colonial Services Board
 - C) Subsidies reserved for clients from York-Poquoson Department of Social Services (DSS). This is the "Family Unification Program" for those families that are in imminent danger of being separated due to inadequate housing.

There is no new competition for rental subsidy funds annually. The programs are renewed each year through the execution of an agreement between the County and VHDA. In May of 2001, the County was informed that VHDA has increased York's funding allocation from 143 to 276 units.

As you may recall due to the absence of demand by its residents, the City of Poquoson is relinquishing its rental subsidy program and the vouchers will be transferred to York County. As of July 1st 2001, York County will assume administration of 18 units formerly allocated to the City.

■ **Moderate Rehabilitation**

York County administers the contract between VHDA and the owners of the Yorkshire Townhouses that disburses these HUD funds. The contract became effective in 1983 after rehabilitation construction was complete. Although the complex remained privately owned, it is contractually bound to HUD and the County of York and accepts only those tenants who are eligible for rental assistance. The original term of the 15-year contract expired in 1998, and since has had annual 12-month renewals. The project is now being sold. The assistance will be converted to 130 rental subsidies and issued to each of those eligible families in residence at the apartment complex. We anticipate issuing those vouchers beginning in July 2001.

As a result of all these various developments, the County's total capacity to assist low-income residents has increased substantially. This is particularly good news since there is currently a waiting list in excess of five hundred (500) families for rental subsidy programs.

Recommendation

Annually, the County adopts a resolution to authorize the County's participation in these programs. The attached resolution authorizes the County Administrator to continue the operation of these programs for the upcoming fiscal year. Therefore, it is my recommendation that the Board adopt Resolution R01-98 which authorizes the County Administrator to take all actions necessary to accept federal funds and continue this important service to York's lower income residents.

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